NOTICE OF PROPOSED CHANGES IN REGULATIONS OF THE CALIFORNIA DEPARTMENT OF SOCIAL SERVICES (CDSS)

Item #4 Food Stamp Eligibility for Drug Felons

The CDSS hereby gives notice of the proposed regulatory action(s) described below. Any person interested may present statements or arguments orally or in writing relevant to the proposed regulations at a public hearing to be held August 17, 2005 as follows:

August 17, 2005
State Office Building #9
744 P Street, Auditorium
Sacramento, California

The public hearing will convene at 10:00 a.m. and will remain open only as long as attendees are presenting testimony. The CDSS will adjourn the hearings immediately following the completion of testimony presentations. The above-referenced facility is accessible to persons with disabilities. If you are in need of a language interpreter at the hearing (including sign language), please notify CDSS at least two weeks prior to the hearing.

Statements or arguments relating to the proposals may also be submitted in writing, e-mail, or by telefax to the address/number listed below. All comments must be received by 5:00 p.m. on August 17, 2005.

The CDSS, upon its own motion or at the instance of any interested party, may adopt the proposals substantially as described or may modify such proposals if such modifications are sufficiently related to the original text. With the exception of nonsubstantive, technical, or grammatical changes, the full text of any modified proposal will be available for 15 days prior to its adoption to all persons who testify or submit written comments during the public comment period, and all persons who request notification. Please address requests for regulations as modified to the agency representative identified below.

Copies of the express terms of the proposed regulations and the Initial Statement of Reasons are available from the office listed below. This notice and the proposed regulations are also available online at http://www.dss.cahwnet.gov/ord. Additionally, all the information which CDSS considered as the basis for these proposed regulations (i.e., rulemaking file) is available for public reading/perusal at the address listed below.

Following the public hearing, copies of the Final Statement of Reasons will be available from the office listed below.

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CHAPTERS

Manual of Policies and Procedures (MPP), Food Stamp Regulations, Division 63-400, Eligibility Standards, Section 63-402, Household Concept.

INFORMATIVE DIGEST/POLICY STATEMENT OVERVIEW

These regulations implement the provisions of Assembly Bill (AB 1796) which made changes to Welfare and Institutions Code Section 18901.3 by extending food stamp benefits to individuals convicted of felony drug offenses for the use or possession of a controlled substance(s). Current federal law prohibits extending food stamp benefits to individuals convicted of felony drug offenses unless the state opts out of this prohibition by passing a state law. The purpose of AB 1796 is to opt out of the federal prohibition, and modify the federal ban.

Upon implementation, the mandatory changes to the Food Stamp Program extend food stamp eligibility to individuals convicted of felony drug offenses for the use or possession of a controlled substance. Individuals convicted of felony drug offenses for unlawfully transporting, importing, selling, furnishing, administering, giving away, possessing for sale, purchasing for purposes of sale, or manufacturing a controlled substance shall continue to be ineligible for food stamp assistance.

COST ESTIMATE

- 1. Costs or Savings to State Agencies: Additional expenditures of \$28,000 in the current state fiscal year (SFY).
- 2. Costs to Local Agencies or School Districts: A nominal increase of \$11,000 in local expenditures for food stamp administration.
- 3. Nondiscretionary Costs or Savings to Local Agencies: None.
- 4. Federal Funding to State Agencies: Additional expenditures of \$36,000 in the current SFY.

LOCAL MANDATE STATEMENT

These regulations do impose a mandate upon local agencies, but not school districts. There may be "state-mandated local costs" in these regulations, which require federal and state reimbursement due to increased administrative costs under Section 17500 et seq. of the Government Code. The local agencies, State, and federal agencies share administrative costs. Increased costs in benefits are paid entirely by the federal government.

STATEMENT OF SIGNIFICANT ADVERSE ECONOMIC IMPACT ON BUSINESS

The CDSS has made an initial determination that the proposed action will not have a significant, statewide adverse economic impact directly affecting businesses, including the ability of California businesses to compete with businesses in other states.

STATEMENT OF POTENTIAL COST IMPACT ON PRIVATE PERSONS OR BUSINESSES The CDSS is not aware of any cost impacts that a representative private person or business would necessarily incur in reasonable compliance with the proposed action.

SMALL BUSINESS IMPACT STATEMENT

CDSS has determined that there is no impact on small businesses as a result of filing these regulations because these regulations makes only technical, nonsubstantive or clarifying changes to current law and regulation.

ASSESSMENT OF JOB CREATION OR ELIMINATION

The adoption of the proposed amendments will neither create nor eliminate jobs in the State of California nor result in the elimination of existing businesses or create or expand businesses in the State of California.

STATEMENT OF EFFECT ON HOUSING COSTS

The proposed regulatory action will have no effect on housing costs.

STATEMENT OF ALTERNATIVES CONSIDERED

The CDSS must determine that no reasonable alternative considered or that has otherwise been identified and brought to the attention of CDSS would be more effective in carrying out the purpose for which the regulations are proposed or would be as effective and less burdensome to affected private persons than the proposed action.

AUTHORITY AND REFERENCE CITATIONS

The CDSS adopts these regulations under the authority granted in Welfare and Institutions Code Sections 10553, 10554, and 18904. Subject regulations implement and make specific Welfare and Institutions Code Section 18901.3.

CDSS REPRESENTATIVE REGARDING RULEMAKING PROCESS OF THE PROPOSED REGULATION

Contact Person: Rick Torres (916) 657-2659 Backup: Alison Garcia (916) 657-2586